

## NEWS

# Jindal: Consolidate housing agencies

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- *Advocate Capitol News Bureau*
- Published: Mar 18, 2011 - Page: 4A

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Gov. Bobby Jindal announced a proposed consolidation Thursday that could affect 140 employees at a Baton Rouge-based housing agency.

The governor wants to fold the Baton Rouge-based Louisiana Housing Finance Agency and other organizations into a single entity that would handle federal and state dollars for housing programs.

Currently, those dollars are overseen by five organizations, including the LHFA, and flow through nearly 30 programs.

Jindal said in a statement that there is too little coordination and too much “inefficiency, duplication of effort and waste of taxpayer resources.” He said the consolidation could save millions of taxpayer dollars. State Treasurer John Kennedy said the system creates confusion on what the state’s true housing needs are.

The LHFA’s president, Milton Bailey, said he is uncertain how the change will affect the entity’s 140 employees. But he said he supports the revamp.

“We have to focus on doing our jobs and let policymakers do their jobs on how to configure this,” Bailey said. “The focus is on helping with the transition (and) allowing the administration to establish perimeters. We’ll worry about jobs down the road.”

Under the proposal outlined by the Jindal administration, legislators would be asked to create a Louisiana Housing Corporation to handle billions of dollars for housing, homelessness prevention and child care.

The Jindal administration could not answer how many jobs would be lost in the reshuffling. A news release issued by the Governor’s Office indicated the organizations’ staffs serve overlapping functions and positions would be eliminated.

The release also notes that the pay for more than 100 employees at the impacted agencies exceeds \$60,000 a year.

“We’ll iron out staffing needs and seek efficiencies during the transition period,” said Christina Stephens, a spokeswoman for the Division of Administration.

Possibly affected by the change would be more than 300 employees at housing-related programs, including workers at the LHFA, the Louisiana Land Trust and the Office of Community Development. Programs at the state Department of Health and Hospitals and the state Department of Children and Family Services could be impacted.

The LHFA oversees tax-exempt borrowing for the creation of affordable rental housing and helps low income families buy homes.

Bailey said he learned about the proposed change Thursday and knows few details but fully supports the governor’s proposal.

Kennedy said a change is needed to ensure state officials receive reliable information on housing projects. He chairs the state Bond Commission, which oversees borrowing for those projects.

Often, he said, the commission’s members get conflicting information such as whether there is a housing over-saturation or a housing need in New Orleans.

“We need to coordinate our housing programs better in Louisiana,” Kennedy said. “This will allow us to have our left hand know what our right hand is doing. I think it will save money. I think it’s long overdue.”

The precise details of the Jindal administration’s proposal will be spelled out in legislation that will be filed by House Speaker Jim Tucker, R-Terrytown, and state Sen. Neil Riser, R-Columbia, for the regular legislative session that starts April 25.

However, the Jindal administration said a nine-member board made up largely of gubernatorial appointees would oversee the new corporation.

The board would include the governor’s designee, the state treasurer, the Senate president, the House speaker and five people appointed by the governor.

The administration said there would be a six- to 12-month transition.

Riser said he still is drafting his legislation and could not comment on the specifics of the proposal.

Tucker did not return a call seeking comment.